



Congressional Hispanic Caucus

109th Congress Congresswoman Grace Flores Napolitano, Chair

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Experts Highlight Negative Effects of Social Security Privatization on Latinos at Congressional Hispanic Caucus Forum

Washington, DC -- At a forum held Monday by the Congressional Hispanic Caucus (CHC), leading experts in the Social Security debate joined with members of the Latino community in discussing how recent studies demonstrate that changing the Social Security system may negatively affect Latinos and their families.

“Social Security is not just a supplement to some people’s income,” said CHC Chair, Congresswoman Grace F. Napolitano. “It is the only source of income for many. In very realistic terms, if Social Security benefits are cut, it could be the difference between being able to afford necessities, such as food and medicine, or doing without. These are the harsh realities being ignored by this administration that the CHC brings to light. Simply stated, cutting Social Security benefits will hurt many Latinos and other minorities.”

According to Robert Greenstein, executive director of the non-partisan Center on Budget and Policy Priorities, in 2002, 51 percent of elderly Hispanic Social Security beneficiaries relied on Social Security for 90 percent of their income, compared to 34 percent of beneficiaries overall. Forty-one percent of elderly Hispanics receiving benefits relied on Social Security for *all* of their income, compared to 22 percent overall. In the absence of Social Security benefits, the poverty rate for elderly Hispanics would more than triple, from almost 16 percent to almost 56 percent.

Latinas, in particular, are highly susceptible to falling into poverty without the safety net social security provides, stated Gabriel Lemus, director of policy and legislation at the League of United Latin American Citizens (LULAC) and a co-founder of Latinos for a Secure Retirement. This is because Latinas tend to stay home to care for their families, are likely to take flexible jobs that pay less, and tend to have jobs that start at lower wages.

According to recent studies, for one of every two elderly Latinas, Social Security represents their only income for retirement.

For Cesar Moreno, a policy and communications analyst with the Labor Council for Latin American Advancement (LCLAA), whose family was a recipient of Social Security survivor benefits, plans to privatize Social Security are of critical concern for many low-income families.

“I know the value of having a social insurance program when tragedy strikes, especially when a family has little to no savings,” said Moreno, who grew up in a small rural, agricultural town in California’s Central Valley and whose father passed away when Moreno was fourteen years old, leaving behind eight children and a spouse. “Tell me what private account my father and mother would have been able to invest in working in the fields? How much of their money would they have been able to invest, if my father was working two jobs and my mother was in the fields?”

Through events such as the Social Security forum, the CHC is gathering and disseminating information to the public about the issues that greatly impact the Latino Community. For more information on Social Security and the Latino community, visit the following:

www.lclaa.org/socialsecurity.html
www.lulac.org
www.cbpp.org
www.socsec.org
www.aarp.org

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The Congressional Hispanic Caucus (CHC) is comprised of 21 members of Congress of Hispanic descent. Since 1976 the CHC has been addressing the needs of the Hispanic community in all areas of American life. For more information on the CHC call (202) 225-2410.

www.napolitano.house.gov/chc/